

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

RAJYA SABHA
UNSTARRED QUESTION NO. 3109

TO BE ANSWERED ON TUESDAY, MARCH 28, 2023/CHAITRA 7, 1945 (SAKA)

FINANCIAL HEALTH OF ANDHRA PRADESH

3109. SHRI KANAKAMEDALA RAVINDRA KUMAR

Will the Minister of FINANCE be pleased to state:-

- (a) whether Government is aware of the fact that State Government of Andhra Pradesh's continuous failure to assess its revenues realistically and not containing the Revenue Expenditure has resulted in continued increase in Revenue Deficit;
- (b) if so, the details thereof;
- (c) whether Government has taken suo motu and pro - active action in the interest of general public to contain and tame the ever increasing revenue deficit of the State of Andhra Pradesh;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e):The State of Andhra Pradesh has enacted their Fiscal Responsibility and Budget Management (FRBM) Act which makes the State Government responsible to ensure prudence in fiscal management and fiscal stability by examining revenue deficit/fiscal deficit, prudent debt management consistent with fiscal sustainability, greater transparency in fiscal operations of the government and conduct of fiscal policy in medium term framework and matters connected therewith or incidental thereto. Compliance of the Andhra Pradesh Fiscal Responsibility and Budget Management Act by the State Government of Andhra Pradesh is monitored by the State Legislature of Andhra Pradesh. Further, Finance Accounts and Appropriation Accounts of the State is regularly audited by the Comptroller & Auditor General of India (C&AG) and State Finance Audit Reports (SFARs) are submitted to the Governor of Andhra Pradesh under Article 151 of the Constitution of India for the purposes of laying the SFARs before the State Legislature of Andhra Pradesh. In the SFARs, revenue receipts, revenue expenditure and revenue deficit are examined and trends of revenue receipts, revenue expenditure and revenue deficit are also presented. Department of Expenditure, Ministry of Finance follows the fiscal limits mandated by the accepted recommendations of the Finance Commission while exercising the powers to approve borrowings by States including Andhra Pradesh under Article 293 (3) of the Constitution of India.
